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INTELLIGENCE REPORT

COUNTRY Austria

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DATE: 25X1A

SUBJECT Opinions of Foreign Minister Dr. Karl Gruber

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Austria's Foreign Policy

1. It is senseless to suggest that Austria's foreign policy can, or should, be changed from day to day to suit the circumstances. It is best to pursue unwaveringly a pre-determined policy. The basis of the present policy was determined not by the government but by the people at the 1945 elections. The details were filled in by the government after an exact evaluation of the country's actual and potential assets and liabilities.
2. Those who today advocate a change of foreign policy and a rapprochement with Russia need not be taken seriously. They are an infinitesimal minority. The people as a whole, down to the humblest worker in the remotest workshop, are fully aware of the issues at stake in the conflict between East and West. The few agitators will never meet with success. It is quite certain that their slightest attempt to organize themselves would be quelled by the Western Allies.
3. Dobretsberger is totally unimportant. As a former Minister of the Schuschnigg Government, his political career is finished. Let him dare hold a political meeting in Graz or in any other Styrian town!
4. Probably the Russians would like to see Landeshauptmann Dr. Heinrich Gleissner at the top, as the Communists have certain information concerning him which would enable them to make him their tool. But Gleissner is not ambitious and has no great sympathies for Russia. Above all, he is extremely cautious and is not likely to venture beyond the border of Upper Austria.
5. Eduard Ludwig will never become Foreign Minister; the Socialists will make sure he does not.

Division of Austria

6. A division of Austria today is out of the question. Similarly, all talk of a possible invasion of Austrian territory is absurd so long as the occupation lasts. Whenever Gruber receives reports of threats to the Austrian frontier, no matter how serious they may seem, he immediately consigns them to the waste-paper basket.

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7. Gruber is aware of the conversations which have been taking place between the Salzburg, Tyrol, and Vorarlberg Governments concerning a possible division of Austria and the consequent need to form a West Austrian Government. Such talk is sheer madness, and it has no greater interest for him when he is told that the Western provinces would reject the present federal government and ask him personally to form a western government.
8. This sort of talk, and the rumors to which it gives rise, is dangerous and exactly what the Russians desire. Austria's greatest enemy today is "Palawatsch" (chaos). On the other hand, there is no need to attach undue importance to this evil. A man hearing that the Yugoslavs are about to cross the Austrian frontier may pack his bags and flee. He will return when the rumor is proved false. The next time he hears the rumor he will pack his bags, but not flee. The third time he will not even pack his bags.
9. The most important thing for the Austrians today is to keep their heads at all costs and to refuse to be influenced by anything but hard facts.
10. Gruber cited the example of Hungary. He had kept in close touch with the Hungarian Smallholders' Party, which had accused him of following a false policy. In its opinion, Austria should remain entirely neutral, or even compromise with the Russians. The Hungarian view held that Austria's economic situation dictated this. Gruber stated that he had never wavered in rejecting this advice and had done his best to convince the Hungarians that theirs was the mistaken policy. Now events had proved how right he was. Despite the compromises which the Smallholders' Party had made in Moscow, the Russians had done nothing for Hungary. All Hungary's territorial claims had been rejected. Nagy had been forced to flee the country, and all his collaborators had been eliminated.
11. When asked if he believed that Austria was in for a particularly bad time when the Russians' turn came to take over the chairmanship of the Allied Council in Vienna, Gruber replied that the Russians did exactly what they chose whether they had the chairmanship or not.

Internal Political Situation

12. Gruber believes that, if the Austrian People's Party had a realistic and concrete program and spoke quite openly to the people, it would win the next elections. Here he criticized Chancellor Figl for what he termed his "sanguine policy". It was the height of folly, said Gruber, to make promises which could not be kept. What was needed was the sort of line which Churchill adopted in 1940: blood, sweat and tears, coupled with an assurance that, if everybody throws his full weight into the work of reconstruction, Austria will most certainly pull through. Such an approach would give the Austrians the feeling that they had an ideological battle to fight.
13. State Secretary Ferdinand Graf, Minister of Education Felix Hurdes, and Foreign Minister Gruber himself are the only APP leaders who can be certain of a successful political meeting in Vienna or in the other industrial centers.
14. When asked what he thought about the Socialists, Gruber merely replied that Vice-Chancellor Dr. Adolf Schärf enjoyed considerable respect among the people.

North Tyrol

15. Gruber is not interested in the local political intrigues in North Tyrol. Discussing the latest attempts by the Monarchists to oust Landeshaupmann Weissgatterer, he maintained that it would not matter in the least if Weissgatterer were forced to resign. On the contrary, he would accomplish more as a member of the opposition. A man with any personality always manages to win through in the end, and he can assert himself more easily when he is not in the thick of things.
16. Tyrol is completely unimportant so far as Austrian foreign policy is concerned, except in the South Tyrol question.

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17. Negotiations are taking place. Admittedly, they are not proceeding as well as one might wish, but nevertheless they are being continued. The South Tyroleans have themselves to blame for the delays and difficulties, with their persistence on such minor points as Article 5 of the Optants' Decree. Nevertheless, Vienna will stand by them even on these minor issues, so that they may know that Austria will do her utmost to support them.
18. The South Tyroleans must be patient. An aggressive policy, such as was pursued until Paris, cannot be maintained indefinitely. Effective ammunition must be preserved against the day when it is really necessary to use it; it must not be wasted by firing isolated shots every day. It is also advisable to wait for the moment when the bullets will find their mark. Strong action at present would be inopportune, because Italy is momentarily in a more advantageous position than Austria. For this reason, it is inadvisable to force the issue in the negotiations. The negotiations must be left to take their course, and it is best to wait and see what the final results will be. If they are satisfactory, so much the better. If not, Austria has weapons enough. One thing, Gruber believes, is certain: Italy cannot afford to fail in the fulfillment of her obligations under the Paris Agreement, and that agreement contains a great deal. Furthermore, the Great Powers have a great moral obligation toward South Tyrol.
19. So far/as the internal situation in South Tyrol is concerned, the South Tyroleans are inclined to take it too tragically. Gruber understands their difficulties; but, somehow, they must hold the people together for another three or four months. No matter what happens, the South Tyroleans must not lose their heads.
20. Gruber is prepared to discuss the internal political situation at any time with Dr. v. Guggenberg, Secretary-General of the South Tyrol People's Party (SVP). At the same time, from a tactical point of view, it is difficult both to negotiate and to issue directives. It must be realized that every word that is spoken today is sooner or later heard by the whole world.

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